



NEWS RELEASE

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USDA ANNOUNCES RECIPIENTS FOR \$1 MILLION IN GRANTS TO SUPPORT RURAL HOME HEALTH CARE COOPERATIVES EFFORTS

--Nebraska Recipient of \$50,000 Promoting Quality Health Care in Panhandle

WASHINGTON, May 19, 2004 – Agriculture Secretary Ann M. Veneman announced the selection of nine recipients to receive a total of \$1 million in rural development community development initiative grant funds to support the establishment and operation of home health care cooperatives.

“The development of rural home-based health care cooperatives provides a cost effective means of providing elderly and lower income families an alternative to health care services available to them,” said Veneman. “Through partnerships, the Bush Administration is working to improve the quality of life for rural residents.”

The USDA [Rural Community Development Initiative](#) provides grants to qualified intermediary organizations that will provide financial and technical assistance to recipients to develop their capacity and ability to undertake projects related to housing, community facilities or community and economic development. USDA announced in March 2004, more than \$6.8 million in technical assistance grants to 27 nonprofit community-based development organizations, low-income communities or Federally recognized tribes to improve their ability to develop rural housing, technology, economic development and community facilities in 18 states. Congress appropriated approximately \$6 million in Fiscal Year (FY) 2004 for the Rural Community Development Initiative (RCDI), bringing the total since FY 2000 to \$30 million.

The cooperative home-based health care demonstration program will help community organizations establish and operate home-based health care cooperatives.

Pre-development grants will assist qualified public bodies or non-profit community development organizations in providing outreach to home-based health care providers, assessing local-level human service provider needs, and other activities leading to the organization and implementation of successful home-based health care cooperatives. In the Panhandle of Nebraska, Region I Mental Health and Substance Abuse Administration of Scottsbluff, Neb. will utilize a \$50,000 Cooperative Pre-planning Grant to assist with the health care needs of 11 Nebraska Panhandle counties through the formation of the Panhandle Home Health Cooperative (PHHC). Counties to be served include Banner, Box Butte, Cheyenne, Dawes, Deuel, Garden, Kimball, Morrill, Scotts Bluff, Sheridan and Sioux. The cooperative will provide the opportunity for individual Home Health agencies to pool their experience and resources

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to meet the challenges that adversely effect non-cooperative ventures including erosion of revenue by the changes in reimbursement policies resulting in the reduction of needed full time home health staff. The cooperative will help reverse the current nursing shortage and offer training to registered nurses to obtain the proper certification required by Medicare for Psychiatric Home Health reimbursement.

Region I Mental Health and Substance Abuse Administration will work in collaboration with the Rural Healthcare Cooperative Network (RHCN) comprised of eight Critical Access Hospitals and one regional hospital. RHCN will bring its experience in developing a hospital cooperative to assist in the development of PHHC. There are currently seven Independent Home Health agencies working in the Panhandle.

Revolving loan grants will be made to qualified non-profit community development organizations or public bodies to provide start-up and operating funds and technical assistance to the newly-created, home-based health care cooperatives.

Recipients are required to obtain matching funds, doubling the value of the USDA grants. Eligible applicants must be located in rural areas with populations of 50,000 or less. Funding of selected applicants will be contingent upon meeting the conditions of the grant agreement. Those receiving grant funds include:

- **CAP Services of Stevens Point, Wisc. -- \$50,000** Cooperative Pre-planning Grant
- **Hawaii Community Loan Fund of Honolulu, Hawaii -- \$104,225** Revolving Loan Fund Grant
- **LEAF of Brookline, Mass. -- \$300,000** Revolving Loan Fund Grant
- **Northcountry Cooperative Foundation of Minneapolis, Minn. -- \$300,000** Revolving Loan Fund Grant
- **Public Hospital District #4 of Soap Lake, Wash. -- \$38,775** Cooperative Pre-planning Grant
- **Region I Mental Health and Substance Abuse Administration of Scottsbluff, Neb. -- \$50,000** Cooperative Pre-planning Grant.
- **Rocky Mountain Health Foundation of Grand Junction, Colo. -- \$50,000** Cooperative Pre-planning Grant
- **Hilo Medical Center of Hilo, Hawaii -- \$50,000** Cooperative Pre-planning Grant
- **Washington State Department of Social Services of Snoqualmie, Wash. -- \$50,000** Cooperative Pre-planning Grant

USDA Rural Development's mission is to deliver programs in a way that will support increasing economic opportunity and improve the quality of life of rural residents. As a venture capital entity, Rural Development provides equity and technical assistance to finance and foster growth in homeownership, business development, and critical community and technology infrastructure. Further information on rural programs is available at a local USDA Rural Development office or by visiting USDA's web site at <http://www.rurdev.usda.gov>. In Nebraska, contact the USDA Rural Development State Office (402) 437-5551, Rm. 152 Federal Building 100 Centennial Mall North Lincoln, Neb. 68508 or visit www.rurdev.usda.gov/ne.

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